United Nations A/C.2/64/SR.14

General Assembly
Sixty-fourth session

Official Records

Distr.: General
9 November 2009

Original: English

Second Committee

Summary record of the 14th meeting
Held at Headquarters, New York, on Tuesday, 20 October 2009, at 10 a.m.

Chairperson: Mr. Mićić (Vice-Chairperson) ..... (Serbia)

Contents

Agenda item 56: Groups of countries in special situations

(a) Third United Nations Conference on the Least Developed Countries

(b) Specific actions related to the particular needs and problems of landlocked developing countries: outcome of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation

This record is subject to correction. Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of publication* to the Chief of the Official Records Editing Section, room DC2-750, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

09-56834 (E)

Please recycle

In the absence of Mr. Park In-kook (Republic of Korea), Mr. Mićić (Serbia), Vice-Chairperson, took the Chair.

The meeting was called to order at 10.40 a.m.

Agenda item 56: Groups of countries in special situations

(a) Third United Nations Conference on the Least Developed Countries (A/64/80-E/2009/79)

(b) Specific actions related to the particular needs and problems of landlocked developing countries: outcome of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation (A/64/268)

1. **Mr. Diarra** (Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States) introduced the report of the Secretary-General entitled "Implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010" (A/64/80-E/2009/79), which assessed progress in the implementation of the Brussels Programme of Action, particularly in the context of the global financial and economic crisis; highlighted measures adopted by the least developed countries and their development partners, and results achieved; and provided an update on preparations for the Fourth United Nations Conference on the Least Developed Countries, to be held in 2011.

2. He then introduced the report of the Secretary-General entitled "Implementation of the Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries" (A/64/268), which assessed the social and economic performance of landlocked developing countries, including in the context of the current global crises; provided an overview of progress made and constraints encountered in the implementation of the Almaty Programme of Action; and put forward a number of recommendations for the way forward.

3. **Ms. Becker** (Sweden), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, Armenia, the Republic of Moldova and Ukraine, said that the European Union was committed to implementing the Brussels Programme of Action and looked forward to the Fourth United Nations Conference on the Least Developed Countries.

4. As reaffirmed in the Doha Declaration on Financing for Development, each country had primary responsibility for its own economic and social development and the role of national policies, domestic resources and development strategies could not be overemphasized. The European Union firmly believed that national Governments were responsible for ensuring human rights and citizens' participation, for solving conflicts by peaceful means and for addressing the weaknesses of domestic financial institutions, with the support of development actors. Good governance in the least developed countries and national ownership of the development process were both important. Economic growth alone could not ensure a higher standard of living.

5. The European Union was committed to alleviating the effects of the global recession on the least developed countries. It was crucial to focus on the poorest and most vulnerable while at the same time ensuring social development and environmental protection. To that end, the European Union had created a €1 billion food facility, which would provide increased resources for food security and agricultural development over the next three years.

6. The European Union had increased its official development assistance (ODA) to over €49 billion, or 0.40 per cent of gross national income (GNI), in 2008. Continued efforts were nonetheless important. The European Union was committed to meeting its ODA targets, including the target of 0.15 to 0.20 per cent of gross national product (GNP) as ODA to the least developed countries. Indeed, European Union aid should exceed €66 billion in 2010, despite the economic crisis. Financial assistance must, however, be accompanied by mutual responsibility and efficiency. Continued efforts were therefore needed to ensure an ambitious and action- and results-oriented implementation of both the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action.

7. The European Union was the least developed countries' and landlocked developing countries' most important trading partner in terms of both nominal trade and export diversification. Indeed, the European Union imported a relatively large quantity of agricultural and manufactured goods. Both agriculture and manufacturing were labour-intensive sectors that were essential to spurring development. The recent decline in the price of fuel and raw materials would only consolidate the European Union's role as number one trading partner.

8. The European Union invested heavily in Aid for Trade. Indeed, its Aid for Trade commitments had reached €7.17 billion in 2007. On 30 September 2009, the last remaining quotas for sugar and rice under the European Union's Everything but Arms initiative had lapsed completely. Since 1 October 2009, the European Union had therefore been offering duty- and quota-free access to all least developed countries on all products, except arms and ammunition. Non-European Union developed countries and advanced developing countries in a position to do so should follow the European Union's example.

9. The European Union supported an ambitious, balanced and comprehensive outcome of the Doha Development Round that would enable developing countries to benefit more fully from world trade.

10. The private sector, markets and entrepreneurship were vital for galvanizing production, creating jobs and sustaining economic growth and should not, therefore, be forgotten. When drafting their development strategies and diversifying their economies, Governments should be mindful of the environment and should avoid protectionism, import substitution and other damaging policies.

11. Climate change was being experienced most severely by the countries least equipped to cope with its adverse effects. Global warming undermined development and threatened to offset gains on poverty and hunger reduction, causing additional stress to developing countries that were particularly vulnerable to its impacts. Efforts to reduce the risks of climate change must build on the capacity of countries, local communities and individuals to foster resilient societies. The European Union was willing to help improve the efficiency of both the Least Developed Country Fund and the Special Climate Change Fund in an effort to respond adequately to the adaptation challenges faced by the least developed countries.

12. Mitigation and adaptation would require considerable domestic and external finance, both private and public. The European Union would provide its fair share of financing. A fast start must be made on international public financing for capacity-building and technical assistance. The European Commission estimated that between €5 billion and €7 billion worth of assistance a year would be required during the period 2010-2012. Countries' graduation from the list of least developed countries was a positive step in the development process. Graduating countries must, however, be guaranteed a smooth transition.

13. The European Union was committed to implementing the priorities contained in the Almaty Programme of Action and welcomed the progress made so far in that regard. The key to progress was subregional, regional and interregional cooperation, including enhanced regional economic integration. For its part, the European Union provided financial and technical assistance for transport infrastructure and services, policy development and regional transport networks.

14. The high-level plenary meeting of the General Assembly to review the progress made on the Millennium Development Goals (MDGs), to be held in September 2010, would be crucial for joint efforts to meet the Goals on time. The success of the least developed countries and landlocked developing countries was rooted in timely and comprehensive development cooperation and well-evaluated development policies.

15. **Mr. Daoud** (Sudan), speaking on behalf of the Group of 77 and China, said that while in some quarters the global economic and financial crisis would soon be over, the least developed countries seemed destined to suffer from its consequences for a long time. Against such a backdrop, the Brussels Programme of Action was more relevant than ever and would be key in assessing the window of opportunity offered by the crisis. The progress made by the least developed countries since 2000 was being wiped out by the crisis. The Fourth United Nations Conference on the Least Developed Countries would offer an opportunity to reverse that trend. The least developed countries should work with their development partners to harness the opportunities offered by the crisis,

particularly in areas where weaknesses had been identified. In particular, the Doha Round should be concluded as a matter of urgency and all least developed country products should be given duty- and quota-free access.

16. The Group of 77 and China remained convinced that the timely implementation of the commitments contained in the Brussels Programme of Action would enable internationally agreed development goals, including the MDGs, to be met in the least developed countries. Those countries had worked hard to create an enabling national environment. Now their development partners must increase their support. Development partners must also meet their commitments on ODA, despite the crisis.

17. The Group of 77 and China also called for the full and timely implementation of the Almaty Programme of Action. Structural vulnerabilities continued to hinder the development of landlocked developing countries, which remained marginalized in the international trading system and faced huge challenges when attempting to establish efficient transit transport systems. The international community should provide additional and predictable development assistance to protect the progress made by such countries. In that regard, he called for increased support for landlocked developing countries' and transit developing countries' efforts to address the major obstacles to their development and urged development partners to honour their commitments in that regard.

18. **Mr. Kleib** (Indonesia), speaking on behalf of the Association of Southeast Asian Nations (ASEAN), which supported the statement made on behalf of the Group of 77 and China, said that the global financial and economic crisis, combined with the ongoing food and fuel crises and climate change, had given rise to complex and daunting challenges for developing countries, particularly those in special situations. The crisis also undermined the achievement of internationally agreed development goals, including the MDGs, in the least developed countries. Despite some progress since 2001, daunting challenges remained. Indeed, the least developed countries were unlikely to achieve the goals set out in the Brussels Programme of Action.

19. Against that backdrop, genuine partnership between least developed country Governments and their development partners should be strengthened. The international community should support the least developed countries' efforts to mitigate the effects of the crisis and achieve the MDGs and other internationally agreed development goals. In that regard, ASEAN looked forward to the Fourth United Nations Conference on the Least Developed Countries and encouraged United Nations agencies to continue to play a pivotal role in helping the least developed countries achieve their objectives. While most agencies had already mainstreamed the Brussels Programme of Action into their policies and workplans, there was a need for more concrete programmes in support of implementation.

20. Despite the progress made in implementing the Almaty Programme of Action and the Declaration of the high-level meeting of the sixty-third session of the General Assembly on its midterm review, landlocked developing countries' continued marginalization in the international trading system prevented them from fully harnessing trade's potential as an engine for growth, which in turn undermined their efforts to establish transit transport systems and to achieve their development goals, including the MDGs.

21. The Almaty Programme of Action remained a sound global framework for strengthening partnerships aimed at addressing the special needs of landlocked developing countries, and continued efforts should be made to establish viable and predictable transit systems and to facilitate international trade by implementing it. The Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States should play a more active role, particularly with regard to inter-agency coordination and resource mobilization.

22. ASEAN attached great importance to increasing the capacity of its member States so that they might contribute more to, and benefit more from, its various initiatives, programmes and workplans. An efficient and integrated transport system was essential if ASEAN was to integrate with the global economy, improve competitiveness and enhance the inflow of foreign direct investment. ASEAN underscored the importance of further integrating and developing ASEAN transport through the establishment of an ASEAN Economic Community (AEC) by 2015 and agreed to intensify collective efforts to implement the AEC Strategic Schedule and AEC Scorecard. Moreover, it welcomed the ASEAN Strategic Transport

Plan 2011-2015. ASEAN acknowledged the importance of continued cooperation with its dialogue partners, international organizations, the private sector and other stakeholders.

23. ASEAN also attached great importance to the ASEAN Framework Agreement on the Facilitation of Inter-State Transport, which would facilitate seamless regional cargo transportation; guide member States in the drafting of trade facilitation policies; and support a harmonized, integrated and efficient transport logistics and facilitation environment within ASEAN. Furthermore, ASEAN was committed to activating national single windows in Cambodia, the Lao People's Democratic Republic, Myanmar and Viet Nam, in accordance with the Agreement to Establish and Implement the ASEAN Single Window and the Protocol thereto. Such efforts aimed not only to narrow the development gap among ASEAN member States, but also to address the special needs of ASEAN least developed countries and landlocked developing countries.

24. **Mr. Rai** (Nepal), speaking on behalf of the least developed countries, said that the goals set out in the Brussels and Almaty Programmes of Action would not be met unless special attention was paid to the needs of the least developed countries and landlocked developing countries. Priority should therefore be given to implementing those goals, to addressing shortcomings and to building on the midterm reviews of past years. To that end, cooperation must be enhanced. At the same time, preparations, involving all stakeholders, must be initiated for the Fourth United Nations Conference on the Least Developed Countries, with a focus on concluding a deliverable and tangible programme of action for the next decade. The outstanding organizational issues, meanwhile, must be decided at the current session, as the Conference was fast approaching.

25. As noted by the United Nations Conference on Trade and Development (UNCTAD) in its Least Developed Countries Report 2009, the global economic and financial crisis had undermined those factors that had enabled the strong growth performance of the least developed countries between 2002 and 2007. Low productive capacity had caused a slowdown in development, aggravating poverty, hunger, malnutrition and unemployment. The crisis called for special attention to be paid to countries in special situations.

26. Furthermore, the crisis should not be used as an excuse to renege on commitments relating to ODA, trade, debt relief, investment and technology transfer. Industrialized countries should adopt stimulus packages that took account of the vulnerability of countries in special situations and should refrain from adopting counter-cyclical and protectionist measures. Countries in special situations needed increased and focused international support if they were to address existing and new challenges. Most countries were falling short of the target of 0.15 to 0.20 per cent of GNI as ODA to the least developed countries. ODA levels might even drop because of the crisis. The least developed countries must be given increased funding and assisted in building their productive capacity.

27. The Doha Round should be relaunched as a matter of urgency and least developed country products given duty- and quota-free access. He welcomed the recent steps taken by the European Union in that regard. The international financial institutions, meanwhile, should make more resources available and should improve their levels of transparency, participation and accountability. The outcome documents of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, held in Doha in November/December 2008, and of the United Nations Conference on the World Financial and Economic Crisis and its Impact on Development, held in New York in June 2009, should be implemented with a special focus on the needs of countries in special situations.

28. Urgent and decisive action was needed to address the adverse impacts of climate change, which were hitting countries in special situations the hardest. The international community should provide predictable funding and technical support to ensure that such countries' adaptation needs were met. Moreover, any climate deal reached in Copenhagen must pay special attention to their vulnerabilities and needs.

29. Urgent and decisive action was also needed to address the global food crisis. Short-term food supply and long-term sustainable agricultural development should be improved. The World Summit on Food Security, to be held in Rome in November 2009, provided an opportunity to address institutional weaknesses, commodity trading practices, and global governance and accountability.

30. Lastly, lack of territorial access to the sea, remoteness and isolation from world markets reduced landlocked developing countries' competitive edge and trade volumes. The special needs of such countries vis-à-vis the global financial and economic crisis should be addressed.

31. **Mr. Sipangule** (Zambia), speaking on behalf of the Southern African Development Community (SADC), said that SADC aligned itself fully with the statements made by the representatives of Sudan on behalf of the Group of 77 and China, and Nepal on behalf of the least developed countries. Of the 14 members of SADC, eight were least developed countries and six were landlocked developing countries. Despite having made good progress in its regional economic integration agenda, SADC had not been spared by the global financial and economic crisis, and the least developed countries and landlocked developing countries had been disproportionately affected. The mining, textiles and clothing, agriculture and tourism sectors had been the most affected, resulting in loss of Government revenues, unemployment and reduced investment. The mining sector had been hardest hit, with prices of copper, nickel, uranium and oil falling to or below their 2006 levels in April 2009. The diamond industry had suffered severely in South Africa, with production cuts, staff retrenchment and about 60 mine closures.

32. Consequently, the region was expected to record a marginal 0.1 per cent growth in real gross domestic product (GDP) in 2009, as compared to an average of 5.9 per cent in 2008. The economic gains of the past five years were thus now at risk of reversal. The slowdown was also likely to increase credit risk and reduce the value of asset holdings, weakening the balance sheets of financial institutions and corporations.

33. The least developed countries were at severe risk of losing the hard-won progress made in implementing the Brussels Programme of Action. Those countries were in the weakest position to respond to external shocks and commodity price volatility, owing to their structural weaknesses and lack of capacity. Although ODA, which remained the major source of external financing for least developed countries, had been identified as one of the most significant factors for achieving and sustaining progress in implementing the Brussels Programme of Action, the donor community's agreement to provide 0.15 to 0.20 per cent of GDP as ODA to least developed countries had not yet been fulfilled.

34. The least developed countries were yet to be fully integrated into the global trading system. Duty-free and quota-free market access had not resulted in an increase in their exports' share of world trade, which remained marginal, owing to insufficient focus on raising productive capacities or diversifying exports. However, good progress had been made in implementing the SADC Free Trade Area and preparing for negotiations on a SADC customs union. Those regional efforts needed to be supported by real progress in the WTO Doha Round of trade negotiations. SADC therefore called on the international community to marshal the political will necessary for the successful completion of the Round. At the same time, there was an urgent need to operationalize trade capacity-building for least developed countries through, among other activities, the Aid for Trade initiative.

35. Barely a year remained in the implementation period of the Brussels Programme of Action. While some progress had certainly been made, particularly in human development and governance, the least developed countries still faced significant challenges in such areas as maternal mortality, access to water and sanitation, and gender parity. In order for those countries to make significant progress in reducing poverty and achieving the MDGs, not only would their economies need to sustain growth in GDP of at least 7 per cent per annum, but pro-poor growth strategies would have to be an integral part of their plans and be implemented successfully.

36. The global food crisis would seriously constrain both national and international efforts to achieve a significant reduction in the number of people in the least developed countries living in extreme poverty and suffering hunger. Many least developed countries were net food-importers, and therefore highly vulnerable to the effects of the escalation in food prices. With their efforts to increase food production still constrained by high fertilizer and energy prices, a sustainable solution was urgently needed.

37. SADC had done well in promoting food production. Overall, the region anticipated cereal surpluses in three of the least developed countries, namely Malawi, Mozambique and Zambia, as well as in South Africa. However, many households' access to

food remained difficult owing to low income and high food prices. SADC member countries were, therefore, committed to scale up implementation of the Dar-es-salaam Declaration on Agriculture and Food Security.

38. Climate change posed a serious challenge for least developed countries, as it was having the effect of diminishing productivity and biodiversity. Developed countries must individually and collectively make meaningful and unconditional commitments to reducing greenhouse gas emissions. At the same time, the international community should provide the necessary funds, in a predictable manner and from additional sources, to meet the adaptation needs of the least developed countries.

39. The Secretary-General's report on the implementation of the Almaty Programme of Action (A/64/268) clearly illustrated that most of the challenges facing least developed countries also applied to landlocked developing countries. In addition, their lack of access to the sea, the long distance from major international markets, cumbersome transit procedures and inadequate transport infrastructure all combined to expose those countries to severe negative impacts during the current crisis. The Almaty Programme of Action presented an important framework for addressing those challenges.

40. The SADC region was committed to putting in place a viable and predictable transit system, as well as trade facilitation. To that end, the establishment of the Free Trade Area and Customs Union, together with development of the attendant infrastructure, was a matter of priority. But the cost of the infrastructure, in particular, was beyond the capacity of the members of SADC, and international support would therefore be needed. With that in view, the previous April Zambia had hosted the high-level conference in Lusaka to mobilize resources for the North-South Corridor programme. That corridor was of strategic importance as it was intended to link the three regional economic communities and was, accordingly, a priority of the New Partnership for Africa's Development (NEPAD). Of the eight countries that would be serviced by the corridor, four were landlocked. SADC welcomed the pledges of about $1.2 billion in funding made by development partners at the conference and hoped that those promises would be honoured.

41. Funding constraints remained the single most significant obstacle to the implementation of the Almaty Programme of Action and to infrastructure development programmes in southern Africa. Consequently SADC welcomed the Outcome of the midterm review of the Almaty Programme of Action, and called for accelerated implementation of the Almaty Programme of Action.

42. Most least developed countries aspired to be, and indeed one day would be, middle-income countries. Therefore, it was important for the international community to put in place a framework for smooth transition for graduating countries, ensuring their full integration into the world economy. In the absence of such a framework, countries would be discouraged from graduating, for fear of the difficulties that would lie ahead.

43. SADC also called on the Group of 20 (G-20), and other financial institutions, to implement their financial pledges and the agreements related to the strengthening of financial supervision and regulation; to strengthen the global financial institutions; and to ensure a fair and sustainable recovery of all by adhering to their commitments relating to the Millennium Development Goals.

44. **Mr. Exantus** (Haiti), speaking on behalf of the 14 member countries of the Caribbean Community (CARICOM), said that the Community aligned itself with the statements delivered by Sudan on behalf of the Group of 77 and China and by Nepal on behalf of the least developed countries. The basic situation of the least developed countries had not changed significantly relative to the previous year. Whereas in certain quarters there was talk of an end to the global recession, the least developed countries continued to feel its effects, and their vulnerability to the economic and financial crisis was becoming increasingly evident.

45. As an immediate consequence of the negative effects of the food and the energy crises, the authorities of Haiti, the only least developed country in the Caribbean subregion, had found themselves confronting a series of food riots provoked by the frustration of its citizens at steep rises in the price of basic food products. Over the short term, that situation had placed in jeopardy not only the modest progress made under the Brussels Programme of Action, but also that made in respect of the broader MDGs.

46. The causes of the financial and economic crisis were now well-known, and a certain number of short- and medium-term measures had been put in place to

contain it. Unfortunately, though, the rescue efforts orchestrated by the developed countries — which were the only ones in possession of the necessary resources — did not so far appear to have brought the least developed countries the benefits they were entitled to expect.

47. When the first signs of that crisis had appeared in the financial sectors of the developed countries in the autumn of 2008, some had thought that the least developed countries were so little integrated into the world financial market that they would be protected from harm. That had not been the case, however: the high level of vulnerability of their economies, which depended entirely on external markets, had become evident. However, there were still opportunities to overcome that vulnerability, inter alia by focusing on the Brussels Programme of Action, which embodied all of the goals and objectives of the least developed countries and their development partners. In that context, the Fourth United Nations Conference on Least Developed Countries, taking place after the 2010 high-level meeting on the MDGs and at the midpoint towards the target date of 2015, would be a unique opportunity for the international community to stimulate economic and social development in the least developed countries.

48. In a situation where the least developed countries were facing a set of new challenges and would have to face others which were yet to come, a business-as-usual attitude was unthinkable: it was time to start doing things differently. ODA for example, would increase in importance in the evolving situation of the least developed countries, since a net decrease in foreign direct investment (FDI) was anticipated, with its major impact being expected to be felt in natural resources exploration and the extractive industries. It would therefore be essential that donor countries maintain their aid to least developed countries at the pre-crisis levels, and honour, without any delay, their commitments to increase them.

49. CARICOM welcomed the measures taken at the multilateral level by the World Bank and the International Monetary Fund (IMF) following the meeting of 26 April 2009 of their joint Development Committee, which had recognized the need not only to translate commitments into concerted action, but also to mobilize additional resources. The expansion by the International Finance Corporation of its Global Trade Finance Programme, the establishment by the Bank of its Infrastructure Recovery and Assets Platform, the doubling by IMF of the ceilings of the Poverty Reduction and Growth Facility and the Exogenous Shocks Facility for the benefit of low-income countries severely affected by the global economic recession had been very encouraging initiatives which CARICOM highly welcomed. If effectively implemented, they would certainly stimulate the least developed countries' productive capacity, an area in which they suffered chronic insufficiency.

50. CARICOM expressed the hope that in addition, countries' bilateral partners would also all honour the commitments which they had made in the framework of the Brussels Programme of Action to grant 0.2 per cent of their GNP to the least developed countries as ODA.

51. **Mr. N'Golo Fomba** (Mali), speaking on behalf of the landlocked developing countries, said that their extremely high transportation costs, as well as other non-tariff barriers and extended transport times, made their products too uncompetitive for them to participate to any great extent in world trade. The 2008 midterm review of the Almaty Programme of Action had shown the challenges still facing those countries. They remained very vulnerable, and the precariousness of their situation had been exacerbated by the negative effects of climate change and the various crises that had hit the world. With the economic slowdown that the latter had caused, both income from trade and foreign direct investment had dropped sharply. Moreover, the landlocked developing countries received only modest amounts of official development assistance or foreign direct investment. They had taken note of the measures set out by the G-20 for the poorest countries, and hoped that particular attention would be paid to the landlocked developing countries when such measures were implemented. The landlocked developing countries also called on all Member States to demonstrate sufficient flexibility for the Doha Round negotiations to be restarted and brought to a successful conclusion. Nothing would happen if each side waited for the other to make the first move. It would also be desirable if those landlocked developing countries that were not yet members of the World Trade Organization were to be assisted to join.

52. **Mr. Elangovan** (India) observed that enhanced and targeted assistance was needed from the developed world to help least developed countries, particularly in implementing much-needed countercyclical measures. What was required was an integrated strategy,

combining both short-term and long-term assistance measures, so that structural constraints were addressed. Foreign direct investment needed to diversify and enhance productive capacity, rather than remain concentrated in only a few least developed countries rich in natural resources. Trade capacity must be built up so that trade opportunities could be exploited. There must be enhanced market access for products of least developed countries, and massive agricultural subsidies by developed countries must be eliminated so that domestic production could increase. Institution- and capacity-building efforts must be increased.

53. The Brussels Programme of Action provided the necessary framework for putting the least developed countries on a path of sustained growth. What was lacking was full implementation. Thus India looked forward to the Fourth United Nations Conference on the Least Developed Countries in 2011, where it was to be hoped that further concrete actions would be planned. It was important that the preparatory process for the conference be substantive and thorough. However, India would caution against proposals in the Secretary-General's report that diluted the principle of common but differentiated responsibilities.

54. In 2008, India had unilaterally announced a scheme to grant duty-free and preferential access to products from all least developed countries, covering 92.5 per cent of their global exports. India had also written off the debt owed by seven highly indebted poor countries. India's technical and economic cooperation had a special focus on assistance to least developed countries in general, and to those in its extended neighbourhood in particular. However, efforts by fellow developing countries like India could only be a complement to the necessary efforts of the developed country partners.

55. Landlocked developing countries formed another group of countries severely affected by the financial crisis, which had increased the marginalization of many of those countries from the international trading system, particularly on account of the contraction in demand in developed countries and the consequent fall in landlocked developing country exports. Full implementation of the Almaty Programme of Action was thus imperative, particularly through sustained international support and enhanced financial and technical assistance. In that context, the midterm review of the Programme had identified useful points for action. The international community must continue with its efforts to address trade and transit issues in a holistic way, remaining cognizant that any effective solution must address the difficulties faced by the transit developing countries neighbouring landlocked developing ones.

56. As a transit developing country, India was active in enhancing its close and historical links with its landlocked neighbours. Landlocked countries with a contiguous border with India had special bilateral cooperation agreements for easy transit of their goods.

57. **Mr. Liu** Zhenmin (China) said that China, while thanking the Secretary-General for his reports, did not agree with the view expressed in paragraph 96 of the one on the Third United Nations Conference on the Least Developed Countries (A/64/80-E/2009/79), considering it to be not in line with the United Nations Framework Convention on Climate Change .

58. The least developed countries and the landlocked developing countries had been major victims of the financial and economic crisis, with their overall development gains critically rolled back, their domestic development challenges increasingly acute, their external development environment markedly deteriorated, and their future development tasks more formidable. According to World Bank estimates, the financial and economic crisis would increase the population living in poverty by 55-90 million, and the least developed countries and landlocked developing countries would have a far larger share of that increase than other countries. The international community must therefore pay special attention to their plight and provide strong support to them in overcoming their development challenges.

59. Only one year away from the target date for the completion of the Programme of Action for the Least Developed Countries for the Decade 2001-2010, there was evidence of a considerable gap between those countries' development achievements and the objectives set forth in the Programme of Action, and the current crisis threatened to further widen that gap. In order to prevent the situation from becoming a development crisis for the least developed countries, the international community should strengthen its support to the least developed countries in the area of trade financing, work to avoid drastic fluctuations in commodity prices, continuously improve market access for the least developed countries' exports, and resolutely combat protectionism in all its forms. The

international community should also continuously scale up investment in the least developed countries in the areas of infrastructure, productivity and services, and endeavour to help them to restructure their economies, which were too dependent on production of commodities.

60. The developed countries should ensure that the current crisis did not cause a reduction in their ODA, and should honour their commitment to allocate 0.15-0.2 per cent of their GNP to ODA for the least developed countries.

61. The Fourth United Nations Conference on the Least Developed Countries scheduled to be held in 2011 would identify the priorities for the international community's efforts to support those countries in the next decade. Agreement should be reached soon on timing and venue, so that substantive preparations could go into full swing.

62. The midterm review of the Almaty Programme of Action in 2008 had clarified the priorities for future cooperation. Support from the international community to the landlocked developing countries should be more targeted, concentrating on addressing the prohibitive transit transport costs which were the biggest impediment to their development. The international community should strengthen efforts in several aspects, for example, by striving for substantive progress in the Doha Round of trade negotiations and actively promoting coordination of transit transport policy both regionally and internationally. It should also endeavour to prevent the current crisis from impeding investment in the infrastructure of the landlocked developing countries, energetically support private sector involvement in infrastructure development.

63. While experiencing tremendous difficulties itself as a result of the current financial and economic crisis, China had worked hard to contribute to the recovery of the world economy by maintaining its own economic stability and growth. It had fulfilled its commitments in full and on time in terms of debt relief and trade preferences, taken an active part in the trade financing and emergency relief plans of such institutions as IMF and resolutely resisted the protectionism that seriously undermined the interests of the developing countries.

64. **Ms. Aitimova** (Kazakhstan) said that during the current global economic crisis, the inherent vulnerability of landlocked developing countries had exposed their economies to severe adverse impacts in the form of trade financing difficulties, contraction in flows of investments, potential reduction in ODA flows and, most important, cuts in export demand and falling commodity prices. Lack of direct access to seaborne transportation, remoteness from major markets and sources of supply and inefficient transport infrastructure continued to be the main factors behind high transport costs for landlocked developing countries.

65. There was an urgent need for predictable and concessional financial resources to assist landlocked developing countries facing financing and infrastructure gaps. Technical capacity-building was also crucial in addressing the emerging challenges. At the same time, it was important to fulfil all financial commitments for development already made, including those under the Aid for Trade initiative and emergency assistance in line with the revised procedures of the international financial institutions.

66. Kazakhstan was committed to implementation of the Almaty Programme of Action. Its Government was taking concrete and results-oriented actions on trade and transport facilitation issues, including modernization of existing infrastructures, increasing the commercial efficiency of transport services and removal of physical and non-physical barriers to development of transit transportation. Additionally, Belarus, Kazakhstan and the Russian Federation would establish a customs union with effect from 1 January 2010.

67. Kazakhstan had already begun implementation of a large-scale road project to link Europe with western China, using funds from international financial institutions. The expected benefits from the project included greater development opportunities for the people of the region and reduced transportation costs.

68. In 2010 Kazakhstan would become Chairman of the Organization for Security and Cooperation in Europe (OSCE). In that capacity, it would work towards developing Eurasian transcontinental transport corridors and creating favourable conditions for sustainable and secure transportation in the OSCE region.

69. **Ms. Zvereva** (Russian Federation) said that her delegation shared concerns that the hard-won achievements resulting from the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010 might be lost in

the wake of the global food, energy, financial and climate crises. The international community needed to provide assistance to least developed countries so that their extremely vulnerable economies could not only withstand external shocks, but also continue to grow at sustainable rates.

70. The Russian Federation supported the principle of global partnership for development by making financial contributions to multilateral development programmes and initiatives, including the G-20 initiative to assist the countries worst affected by the crisis, and had recently concluded an agreement with the World Bank to allocate $50 million to a trust fund established as part of a set of urgent social protection measures. Additional opportunities for the provision of bilateral assistance were also being considered.

71. Meanwhile, her country's annual voluntary contribution to the World Food Programme (WFP) had increased to the record level of $24.3 million in 2009. Its support for food assistance programmes through other channels was also increasing, including a $7 million contribution to a multilateral trust fund established by the World Bank under its Global Food Crisis Response Programme.

72. Foreign trade played an important role in the economic recovery and subsequent development of least developed countries. The Russian Federation was making its contribution through the application of a special preferential regime to the goods of least developed countries.

73. Her delegation welcomed the decision to convene the Fourth United Nations Conference on the Least Developed Countries in 2011. The mandate for it, laid down in General Assembly resolution 63/227, provided the impetus to bolster partnerships between least developed countries and their development partners in the light of the Programme of Action for the Least Developed Countries for the Decade 2001-2010 and lessons learned.

74. Her delegation reaffirmed its commitment to the objectives of the Almaty Programme of Action; the Russian Federation's geographical location made it a key link in the Eurasian transport infrastructure. In that connection, she recalled the recent entry into force of two important agreements which would further expand the region's transport network, namely the Intergovernmental Agreement on the Asian Highway Network and the Intergovernmental Agreement on the Trans-Asian Railway Network, and noted that the Russian Federation was also engaged in a number of subregional projects to establish international transport corridors, including the plan to build a ring road around the Black Sea.

75. **Mr. Apakan** (Turkey) observed that while the progress achieved in the implementation of the Brussels Programme of Action for the Decade 2001-2010 had been uneven, the impacts of food insecurity, volatility in energy prices and climate change were now more heavily felt by the least developed world as a consequence of the economic and financial crisis. According to UNCTAD estimates, 53 million people would fall below the poverty line in 2009, while the Food and Agriculture Organization of the United Nations (FAO) predicted that the number of the hungry was likely to increase by 105 million.

76. Climate change presented a clear danger for all of mankind. Vulnerable communities in the least developed countries, and in small island developing States in particular, were already suffering its severe impacts in their daily lives. It was time to provide a joint, credible response to that global challenge. Both developed and developing countries should gear their efforts towards mitigation and adaptation in mutual trust, without putting sustainable development initiatives in jeopardy.

77. Considerable progress had been made in the implementation of the Almaty Programme of Action, which provided a solid framework for international cooperation to address the challenges faced by the landlocked developing countries. Efforts should be pursued to promote closer cooperation between those countries and their development partners, as well as partnerships between them and transit countries through regional cooperation mechanisms. However, the challenges they faced were not confined to geographical constraints, but also comprised structural inadequacies. Investments in infrastructure and capacity-building were necessary in order to overcome those challenges in an integrated manner.

78. To transform the challenges of globalization into opportunities for the least developed world, there was a need for stronger global partnership. The United Nations, as the major organization with global membership, was capable of pioneering and coordinating efforts to that end coherently and effectively. As part of those efforts, development cooperation beyond a mere transfer of

financial resources was required. That was the approach governing Turkish development assistance efforts, in particular through the projects undertaken by the Turkish Internat: nal Development Cooperation Agency, TICA, which included infrastructure investments, know-how and technology exchange, and training of skilled personnel.

79. Turkey attached great importance to the conclusion of the Doha Round of trade negotiations in a way which would benefit the most vulnerable countries by enabling them to be integrated into the multilateral trading system. Free market access and capacity to compete in the international trade system were essential components in enhancing opportunities for the least developed countries. However, it should also be acknowledged that only a limited number of countries, including Turkey, had fulfilled their commitments to avoid protectionism during the crises.

80. The Fourth United Nations Conference on the Least Developed Countries in 2011 would mark the end of the decade for implementation of the Brussels Programme of Action. The international community must focus in the following decade on tangible measures. That was a shared responsibility, one that would require strong and renewed commitments. Turkey was confident that both the preparations for that Conference and its follow-up would be conducted in a spirit of partnership and solidarity.

The meeting rose at 1 p.m.